

**Memorandum
Public Works Department**



To: City Manager
Subject: Hot-In-Place Asphalt Recycling Program, Project 2759
Date: February 6, 2017
Number: 2017-014

The Public Works Department has been contacted by Gallagher Asphalt Corporation in regards to extending their contract for the 2016 Hot-In-Place Asphalt Recycling Program through 2017. The work will be done for the same prices as in 2016. The work performed by Gallagher on this maintenance project was of exceptional quality and at favorable unit prices.

Engineering typically sees a yearly increase in labor costs of at least 3% and material costs of 2% for our maintenance programs. This anticipated rise in labor and construction material prices would likely increase the programs' unit prices over last year.

The program was funded for approximately \$456,700 in 2016. The 2017 program is currently funded by the following fund amount: \$300,000.

Recommendation:

It is recommended that the City Council extend the 2016 Hot-In-Place Asphalt Recycling Program maintenance contract with Gallagher Asphalt Corporation, Thorton IL, through 2017, in order to perform the required maintenance.

Vendor: Gallagher Asphalt Corporation, Thorton IL

Contract Amount: \$300,000

Accounts Chargeable:

Fund:	301	Capital Improvements	(\$300,000)
Department:	616	Municipal Services	
Cost Center:	301	Street Maintenance	
Object Code:	53805	Street/Lot S/C	
Project:	2759	Asphalt Recycling Program	

Requisition Numbers: R006510 and R006516

Submitted by: Larry Cook, Interim Public Works Director
Michael J. Kane, P.E., City Engineer

Approved by: Randall D. Tweet, Interim City Manager